



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **SB 257** SLS 10RS 653
Bill Text Version: **ENROLLED**
Opp. Chamb. Action:

Proposed Amd.:
Sub. Bill For.:

Date: June 20, 2010 11:39 AM	Author: MOUNT
Dept./Agy.: Social Services	
Subject: Reorganization of DSS	Analyst: Patrice Thomas

SOCIAL SERVICES DEPT EN GF EX See Note Page 1 of 2
Reorganizes and renames the Department of Social Services. (7/1/10)

Present law provides that the Department of Social Services consist of the Office of Community Services, the Office of Family Support, the Office of the Secretary; and Louisiana Rehabilitation Services. Proposed law changes the name of the Department of Social Services to the Department of Children and Family Services. Proposed law consolidates the Office of Community Support, the Office of Family Support, and the Office of the Secretary into the Office of Children and Family Services. Proposed law provides that the Office of Children and Family Services shall consist of (1) the Executive Division; (2) Division of Management and Finance; (3) Division of Programs, and (4) Division of Operations. Proposed law provides that the officers shall be the secretary, the undersecretary, the deputy secretary of programs, and the deputy secretary of operations. Proposed law provides that the Office of Children and Family Services shall perform the following functions and services: (1) public assistance programs, (2) administration of the food stamp program; (3) public child welfare functions; and (4) licensing of child care facilities and day care centers as well as monitor domestic violence service contracts.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

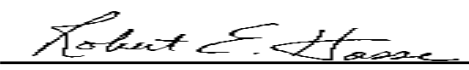
EXPENDITURE EXPLANATION
Effective July 1, 2010, this legislation reorganizes and renames the Department of Social Services (DSS) to the Department of Children and Family Services (DCF). Although this legislation does not specifically enumerate specific positions for elimination or parish offices for closure, it is not inconsistent with HB 1 that provides for the reorganization of DSS, elimination of 197 positions and the closure of 20 parish offices resulting in a net decrease of expenditures by approximately \$10.3 million in FY 11. This legislation is anticipated to increase expenditures by \$70,000 as a result of the name change in FY 11 and each subsequent fiscal year through FY 15 for a total cost of \$350,000 over 5 years.

First, this legislation eliminates the existing Office of the Secretary, Office of Family Services, and Office of Community and creates the Office of Children and Family Services (please see note on page 2 regarding the Louisiana Rehabilitation Services). Second, the legislation creates four divisions within the Office of Children and Family Services - (1) executive division, (2) division of management and finance, (3) division of programs, and (4) division of operations. Finally, this legislation provides that the newly created Office of Children and Family Services shall be lead by a secretary, an undersecretary, and two deputy secretaries.

Elimination of Positions
Presently, DSS has 4,928 T.O. positions. HB 1 provides for the elimination of 197 positions that results in anticipated savings of approximately \$8.7 million (\$3,368,940 SGF and \$5,291,574 Federal Funds). As a result of the Executive Order BJ 2009 -11 Hiring Freeze, the department has 181 vacant positions. The department is projecting an additional 16 vacant positions through natural attrition by the end of the fiscal year. Therefore, all 197 positions eliminated will be vacancies. A breakdown of the eliminated positions are as follows: 124 positions - Eligibility and Enrollment; 8 positions - Administration in the Office of Family Support; 15 positions - Support Enforcement Services; 14 positions - Child Welfare Administration in the Office of Community Support; 30 positions - Louisiana Rehabilitation Services; and 6 positions - Office of the Secretary. The average salary of positions eliminated is \$43,962 including 30% for related benefits (\$43,962 x 197 = \$8,660,514). In addition, the department anticipates the reorganization will result in an elimination of 73 T.O. positions in FY 12 and 270 T.O. positions each year in FY 13 - FY 15.

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REVENUE EXPLANATION
There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate	Dual Referral Rules	House	
<input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost		<input type="checkbox"/> 6.8(F) >= \$100,000 Annual SGF Cost	
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease	Robert E. Hosse LFO Staff Director



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CONTINUED EXPLANATION from page one: Page 2 of 2

Closure of Parish Offices

Presently, DSS operates 148 offices in parishes across the state and expends approximately \$27.6 million annually in rent and lease payments. Many parishes have multiple DSS offices. Some clients must visit two or three different office locations to get the services and information. The parish office breakdown is as follows: 75 - Office of Family Support; 14 - Support Enforcement Services; and 59 - Office of Community Services. In HB 1, the department has consolidate 20 parish and regional offices by July 1, 2010. The consolidation of 20 parish offices is reflected as a decrease in expenditures for rent and lease payments by approximately \$2 million (\$778,000 SGF and \$1,222,000 million Federal Funds). In future fiscal years, the department anticipates additional savings in operating expenses (supplies and utility costs) of \$119,884 annually due to the closure of 20 offices. The parish offices that will be consolidated are either family assistance offices or regional offices that have month-to-month leases and does not provide direct client services. Clients will have to the option to utilize the new internet client portal to fill-out a web-based application, participate in telephone interviews by calling the new Customer Service Center, visit another DSS office either in the same or adjacent parishes, or visit a DSS community partner sites.

Office of Family Support Offices Closing - Clients will have to visit another office in the same or adjacent parishes.

- 1. Bossier Parish OFS, 2123 Shed Road, Bossier City
- 2. DeSoto Parish OFS, 405 Polk St., Mansfield
- 3. Evangeline Parish OFS, 116 SW Railroad Ave., Suite B, Ville Platte
- 4. Grant Parish OFS, 100 8th St., Colfax
- 5. Jefferson Davis Parish OFS, 742 E. Plaquemine St., Jennings
- 6. Plaquemines Parish OFS, 9567 Hwy. 23, Belle Chasse
- 7. Pointe Coupee Parish OFS, 120 Alamo St., New Roads
- 8. Richland Parish OFS, 117 Ellington Dr., Rayville
- 9. St. Martin Parish OFS, 1109 S. Main, 1st Floor, St. Martinville
- 10. St. Mary Parish OFS, 604 2nd St., Franklin
- 11. Union Parish OFS, 1117 Marion Highway, Farmerville
- 12. Vermilion Parish OFS, 1829 Veterans Memorial Dr., Suite A, Abbeville
- 13. West Baton Rouge Parish OFS, 1622 Court St., Port Allen

Office of Family Support Offices Closing - These parish offices does not provide direct client services.

- 14. Alexandria Regional, 5419-B Jackson St., Alexandria
- 15. Lake Charles Regional, 1 Lakeshore Dr., Suite 1450, Lake Charles
- 16. McKinley High Alumni OFS Center, 1520 Thomas Delpit Dr., Baton Rouge
- 17. Monroe Regional, 2808 Evangeline St., Monroe
- 18. Thibodeaux Regional, 1440 Tiger Dr., Suite A., Thibodaux


Office of Community Services Offices Closing - Clients will have to visit another office in the same or adjacent parishes.

- 19. Orleans Regional, 1010 Common St., New Orleans
- 20. Jefferson Regional, 800 W. Commerce Rd., Harahan

Name Change

This legislation provides for the renaming of the Department of Social Services to the Department of Children and Family Services. The department anticipates an increase in expenditures of \$70,000 (\$38,500 SGF and \$31,500 Federal Funds) in FY 11; however, the department has indicated the increase will be absorbed within their existing budget. The department will need to change office building signage, decals on all state vehicles, order new stationary and business cards, issue new employee I.D. badges, and other incidental items. The department anticipates name change will be completed over 5 years and cost a total of \$350,000 SGF (\$70,000 per year x 5 years).

Note: HB 1198 provides for the transfer of the Louisiana Rehabilitation Services (LRS) to the Louisiana Workforce Commission and the Department of Health and Hospitals. Information contained in this fiscal note regarding elimination of positions and office closures does not affect LRS. Three programs and the respective funding of \$61,521,293 will be transferred to the LWC in FY 10/11 along with 325 T.O . These programs are: Independent Living Part B/Older Blind (\$52,455 SGF; \$1,201,037 Federal); Vocational Rehabilitation (\$8,530,989 State Match; \$219,130 Stat Ded.; \$49,920,956 Federal; \$10,000 IAT; 317 T.O.); and Blind Services (\$97,377 State; \$393,853 Federal; \$1,095,496 Stat Ded.; 8 T.O.). There are currently eight LRS regional offices and nine area offices located throughout the state. Four programs and the respective funding of \$6,304,521 and 8 T.O. will be transferred to DHH (Office of Aging and Adult Services - 4 T.O.; Office of the Secretary - 4 T.O.). These programs are: Community & Family Support, Personal Care Attendant (\$390,632 SGF); Traumatic Head and Spinal Cord (\$3,170,070 Stat Ded; 4 T.O.); and Louisiana Telecommunications for the Deaf (\$2,743,819 Stat Ded; 4 T.O.).

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>	
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